United Nations E/2008/88

Economic and Social Council

Distr.: General
27 June 2008

Original: English

Substantive session of 2008
New York, 30 June-25 July 2008
Item 2 (c) of the provisional agenda*
High-level segment: annual ministerial review

Note verbale dated 25 June 2008 from the Permanent Mission of Bahrain to the United Nations addressed to the President of the Economic and Social Council

The Permanent Mission of the Kingdom of Bahrain to the United Nations presents its compliments to the President of the Economic and Social Council and has the honour to request that the report of the Western Asia regional preparatory meeting on sustainable urbanization for the annual ministerial review of the Economic and Social Council, held in Manama on 1 and 2 June 2008 (see annex), be circulated as a document of the Council for consideration at its substantive session of 2008, under item 2 (c) of the provisional agenda.

At the regional preparatory meeting, the subject of sustainable urbanization was examined from the perspective of the countries of Western Asia as a contribution to the theme of the 2008 annual ministerial review, "Implementing the internationally agreed goals and commitments in regard to sustainable development". The Government of the Kingdom of Bahrain believes that the report will constitute a valuable contribution to the discussions on the theme at the annual ministerial review of 2008.

* E/2008/100.

08-40319 (E) 100708

Annex to the note verbale dated 25 June 2008 from the Permanent Mission of Bahrain to the United Nations addressed to the President of the Economic and Social Council

Report of the Western Asia regional preparatory meeting on sustainable urbanization for the annual ministerial review of the Economic and Social Council

Summary

As part of the annual ministerial review process of the Economic and Social Council, a Western Asia regional preparatory meeting on the theme "Sustainable Urbanization" was held in Manama on 1 and 2 June 2008, hosted by the Government of the Kingdom of Bahrain. Organized as a multi-stakeholder event, with the participation of high-level representatives in an expert capacity, the consultations consisted of plenary meetings and panel discussions, which were attended by nearly 90 delegates.

The participants examined emerging trends, challenges and potential solutions in the areas of urban infrastructure and access to services, green architecture for sustainable urbanization, and financing (including through Islamic banking) and technology transfer for sustainable development. In the course of the discussion, population growth, social integration, youth unemployment, the global food crisis, climate change, unsustainable patterns of consumption and production, and water scarcity were highlighted as major regional challenges in the context of sustainable urbanization.

Key policy messages

The following major messages emerged from the discussions:

(a) To address the challenges of urbanization, governments must develop country-specific approaches that reflect their development priorities.

(b) Planning for sustainable urbanization requires an integrated policy approach that involves all relevant stakeholders, including national governments, city and municipal governments, community representatives, NGOs and members of the private sector.

(c) To improve decision-making and management, capacity-building is essential for local authorities and municipal planners, as well as community members. Accurate statistics must also be collected and made available to policy-makers.

(d) Governments must leverage new investment in urban infrastructure to cope with population growth and increasing urbanization. Municipalities require more and better instruments to raise capital.

(e) Encourage Islamic banks and other commercial banks to increase their role in financing projects that will contribute to sustainable development, including through providing "green credit" and venture capital to promote sustainable urbanization. Islamic banks and other commercial banks are encouraged as well to develop financial products of relevance to low-income customers, including government-backed mortgages and micro-loans.

(f) Governments must ensure that drinking water is available to slums and meets quality standards.

(g) Immediate action must be taken by all stakeholders in the region to address unsustainable patterns of consumption of water, including implementing conservation practices in agriculture and cutting losses in water delivered by utilities and in industrial use.

(h) Governments, in partnership with the private sector, should support research and development to utilize appropriate and affordable technologies to mitigate and adapt to climate change, as well as technical programmes to build capacity in cleaner technologies and environmentally sound practices.

(i) Architects, developers and other actors in the construction industry, with support from governments, should scale up and scale out the quantity and types of green building solutions, incorporating traditional knowledge and materials as well as new technologies, especially to ensure sustainable housing for the poor. They should also pursue socially responsible policies and practices, particularly with labour employed for construction and maintenance of buildings.

(j) Governments should provide an enabling environment to encourage the spread of green architecture. However, this should be promoted as part of overall planning for sustainable urbanization.

(k) The ESCWA region should adopt a common green rating tool under the neutral guidance of a Green Building Council.

I. Introduction

At the 2005 World Summit, Heads of State and Government mandated the Economic and Social Council to hold annual ministerial-level substantive reviews as part of its high-level segment, in order to review progress made in the implementation of the outcomes of United Nations conferences and summits and to assess its impact on the achievement of the goals and targets of those conferences and summits. In 2008, the second annual ministerial review addresses the theme "Implementing the internationally agreed goals and commitments in regard to sustainable development".

On 1 and 2 June 2008, the Government of the Kingdom of Bahrain, under the patronage of His Highness Shaikh Khalifa Bin Salman Al-Khalifa, the Prime Minister, and with the support of the United Nations Department for Economic and Social Affairs, the UN-HABITAT and ESCWA, hosted a Western Asia regional preparatory meeting on the theme "Sustainable Urbanization" to provide input to the 2008 review.[1]

The meeting provided an opportunity for Western Asian countries to contribute to the review, including by sharing best practices and lessons learned related to sustainable urbanization that could aid in advancing and expanding activities to achieve the internationally agreed development goals (see enclosure).

The meeting brought together nearly 90 delegates, including representatives of governments from Western Asia and other regions, and experts from of the United Nations system and other international organizations, non-governmental organizations (NGOs), academia and the private sector. The delegates examined emerging trends, challenges and potential solutions in the areas of urban infrastructure and access to services, green architecture for sustainable urbanization, and financing (including through Islamic banking) and technology transfer for sustainable development.

II. Proceedings of the regional preparatory meeting

A. Opening session and keynote addresses

The meeting was opened by H.E. Sheikh Khalid bin Ahmed bin Mohamed al Khalifa, Foreign Minister, Kingdom of Bahrain. In his welcoming remarks, the Foreign Minister highlighted the importance of the issues that the meeting was addressing. Population growth, urbanization, infrastructure and services, the environment, and science and technology all have to be addressed to ensure a

[1] Please see http://www.un.org/ecosoc/newfunct/amrregional2008.shtml for the background note, programme, statements, presentations and list of participants.

healthy, sustainable urban environment that promotes well-being, dignity and development for all human beings in Western Asia and other regions. He expressed confidence that the meeting will allow the diverse and knowledgeable participants to engage in a valuable exchange of experience and expertise, as well as encourage bilateral cooperation.

H.E. Sheikh Mohammed bin Mubarak al Khalifa, Deputy Prime Minister, Kingdom of Bahrain, delivered a keynote address. He highlighted the challenges governments are presently facing in the economic, social and environmental fields, among the most urgent being the food crisis, population growth and urbanization. Cities can have a vital role in quickening the pace of economic and social growth if appropriate plans are in place to resolve housing and basic utility problems, as well as the increasing challenges and consequences of urban growth. Addressing such challenges requires the participation of all stakeholders and the support of the international community.

The Deputy Prime Minister noted that the region is making significant progress in urbanization and development, yet it suffers from scarcity of water resources. Addressing this challenge requires technology transfer, new research and development (R&D), and international cooperation. Financing of technology transfer and R&D is necessary, and the role of Islamic banks is vital.

He welcomed this opportunity to share knowledge, exchange experiences, assess implementation of urban policies and strategies and other development goals, and discuss solutions. Such meetings serve to enhance dialogue and exchange of regional and international experiences on means and mechanisms to implement the MDGs, and create better understanding of sustainable urbanization choices and directions. He also expressed confidence that the discussion would contribute to the ECOSOC Annual Ministerial Review.

Following the keynote address by the Deputy Prime Minister, a number of high-level officials from the United Nations system and other regional organizations delivered opening remarks.

H.E. Mr. Léo Mérorès, President, United Nations Economic and Social Council, described the mandate and purpose of the ECOSOC Annual Ministerial Review. He introduced the 2008 theme on sustainable development and stated that this meeting will help crystallize the challenges faced by the Western Asia region in respect to sustainable urbanization.

Ambassador Mérorès cited urbanization as the defining feature of the 21st century. It has the potential to be a positive force for economic and social development despite the fact that cities are home to 1 billion slum dwellers. How well governments handle urbanization will have a significant affect on progress towards

many of the MDGs. The region's record in promoting sustainable urbanization is mixed due to disparities among countries. Some are struggling with slum upgrading and prevention, while others are at the forefront of green architecture.

In his statement, H.E. Mr. Abdul Rahman bin Hamad al-Attiyah, Secretary-General, Cooperation Council for the Arab States of the Gulf (GCC), called attention to the efforts that have been undertaken to improve the welfare and prosperity of humanity in the region. The United Nations plays a major role, especially in improving conditions for slum dwellers. Gulf countries in particular have supported endeavours to eradicate poverty, provide decent housing and ensure human welfare to all their citizens. Nonetheless, challenges hamper achieving sustainable urbanization, such as water scarcity and poor management of information. He emphasized that efforts to achieve sustainable urbanization require a clear, balanced and effective programme undertaken by all stakeholders, in coordination.

Mrs. Anna Tibaijuka, Executive Director, United Nations Human Settlements Programme (UN-HABITAT), stated that recent history has shown that slum growth is practically synonymous with urban growth. Ensuring universal access to water and sanitation, and equitable access to waste collection and affordable energy is one of the more effective means of improving the living conditions of the urban poor and a fast-track means of attaining all of the MDGs in urban areas, including goals on poverty, health and gender equality. Mrs. Tibaijuka said that one of the consequences of the combined impact of urbanization and globalization is a change in consumption and production patterns: as cities grow and integrate in the global economy, people alter the way they use land, water, energy and other natural resources. To reverse the impact cities have on climate change, smarter and greener urban development and growth is urgently needed. Any lasting solution to mitigating climate change will have to address the way cities are planned and managed.

Attaining sustainable urbanization will depend on the proper mix of good planning, enabling policy frameworks and financial instruments that ensure growth with equity – only then can technology play its full role. Mrs. Tibaijuka concluded by proposing that the ECOSOC consider "sustainable urbanization and the reduction of urban poverty" as a cross-cutting pillar in its deliberations so that the urban dimension will be incorporated in all the Council's analysis and recommendations.

Mr. Bader Omar Al-Dafa, Executive Secretary, United Nations Economic and Social Commission for Western Asia (UNESCWA), reaffirmed the relevance of the challenges associated with sustainable urbanization to the region and warned that rapid urbanization continues to pose great challenges, including insecure land tenure, inadequate drinking water and sanitation, and pressure on urban centres

from refugees. Urban policies and national development strategies must be holistic to ensure that the expansion and upgrading of urban infrastructure and the provision of services address the needs of the urban poor. Decentralization and enhancing the role of local authorities may be important steps to improving urban governance. He stressed the need to pay attention to rural development; examine the interlinkages and interdependence of urban and rural development. Mutual commitment and a coordinated response are necessary to collectively confront the challenges of sustainable urbanization.

Mr. Thomas Stelzer, Assistant Secretary-General for Policy Coordination and Inter-Agency Affairs, United Nations Department of Economic and Social Affairs (UNDESA), outlined some of the broad challenges of sustainable urbanization, including the unprecedented scale and pace of growth, and the impact of cities on the environment. He underscored that improving the lives of slum dwellers bears an enormous potential to achieve the MDGs. Moreover, green architecture may put the world on a more sustainable consumption and production path. Allowing developing countries to leapfrog to the urban development of the future could have groundbreaking impact on attaining sustainable development. Sharing technologies and know-how, as well as mobilizing public and private resources, are critical to reaching this goal.

In her keynote address, H.E. Dr. Fatima al Belooshi, Minister of Social Development, Kingdom of Bahrain, stressed that social development is an integral part of sustainable urban development that must focus on human beings and ensure a good life for all. The Kingdom has made significant progress in its social development and has enjoyed rapid economic development as well. It has liberalized and diversified its economy, and has become a financial services hub in the Middle East. The country has met all the MDG targets and is now pursuing the MDG+ objectives. Challenges remain, including maintaining the national identity in an era of globalization, and dealing with population growth and an aging society.

The policies of the Ministry of Social Development are built upon the principles of social investment and social protection. The Ministry has implemented many initiatives in cooperation with a number of partners, including: providing financial services for poor families, developing rehabilitation programmes, combating human trafficking, protecting children, providing programmes for people with special needs and promoting women's rights.

Dr. Badria Al Jeeb, Assistant Undersecretary of Social Welfare and Rehabilitation and Training, Ministry of Social Development, Kingdom of Bahrain, reported on the role of the Ministry in contributing towards sustainable urbanization through social services. In the past several years, the Ministry has undergone significant change, including decentralizing the service delivery and expanding its coverage to

all people in the country. It now concentrates on human development and emphasizes the interaction between the State and the individual.

Dr. Al Jeeb described many of the innovations the Ministry has introduced to its work. Among the projects described were homeless shelters; children's and youth clubs; and centres for family counselling, the handicapped and the elderly. A comprehensive strategy to help poor families break the cycle of poverty has been launched, which included developing a policy to reduce the price of electricity for 10,000 needy people; paying benefits to families that fall below the national poverty line; providing housing, education and healthcare; and promoting employment. It also launched a telephone hotline for individuals to communicate their needs directly.

Dr. Nabeel Mohamed Abu Alfatih, Acting Undersecretary of Housing, Ministry of Housing, Municipalities and Environment, Kingdom of Bahrain, stated that it is imperative for nations to institute sustainable urbanization for the sake of future generations. In doing so, many factors – including demographic, social and economic – need to be balanced. This requires good planning to implement policies that meet the needs of all members of society. Since independence, the Kingdom has been proactive in pursuing sustainable urbanization as a major part of its planning for sustainable development.

The country's constitution incorporates all the elements of sustainable social development, including citizen's rights to housing, which the Kingdom guarantees. The Government is responding to the growing demand for houses with significant investment. It is also redesigning its housing system for low-income families to ensure good quality and quantity of services and the proper use of scarce resources (such as land and water) to ensure long-term sustainability. He stated that the public and private sectors must work in partnership to provide housing for all. Dr. Alfatih concluded by emphasizing that decisions taken now will determine the social development of future generations.

B. Panel 1: Providing urban infrastructure and access to services

The panel on providing urban infrastructure and access to services aimed to highlight regional successes and challenges in providing water, sanitation, energy, mass transit, waste management and other vital services.

In the moderator's opening statement, Mrs. Anna Tibaijuka stressed that social inclusiveness is fundamental to realizing sustainable urbanization. Social inclusiveness is predicated on all residents of a city or town having access to basic services. This requires investment and equitable social policies and strategies. Basic services must be affordable. Mrs. Tibaijuka underscored that providing urban infrastructure requires appropriate economic, financial and fiscal policies.

The first panellist, Ms. Mona Serageldin, Vice-President, Institute for International Urban Development, United States of America, stated that the Middle East and North Africa (MENA) region has made great strides in improving access to basic infrastructure since the 1970s, citing notable cases in Egypt, Tunisia and Morocco. Almost all countries in the MENA region will meet all or some of the MDGs, but this alone does not guarantee achieving sustainable urbanization.

In fact, current patterns of urbanization in the region are far from sustainable. In the richer countries, resource consumption is high and their ecological footprints exceed sustainable levels. In the rest of the region, cities face growing challenges related to water shortages, pockets of poverty, traffic congestion, high costs of urban land and housing, environmental pollution and frustration amongst unemployed youths. In all MENA countries, water consumption is too high and unsustainable. In non-oil-producing countries, existing water systems are not maintained, leading to losses of as much as 30% of total consumption, but action is rarely taken until the situation reaches crisis proportion. With urban land value doubling every three to four years, slum upgrading cannot prevent the formation of new informal settlements that consume scarce agricultural land. Moreover, affordability of housing has been eroded for middle income families and runaway land markets have encouraged laxity and corruption in local enforcement of development regulations. Globalization (with a shift toward knowledge-based economies) and demographic factors are also having a significant impact on urbanization in the region.

Ms. Serageldin said governments have realized that there is no substitute for social outreach and community involvement in efforts to achieve sustainable urbanization. Local authorities lack adequate technical and financial resources to fully assume the responsibility of planning for sustainable development, thus explaining the continuing role of national agencies. Yet, these agencies need to provide opportunities for meaningful participation by citizens.

Focusing on waste management, Ms. Laila Iskandar, Chairperson, Community and Institutional Development, Egypt, brought attention to the consumption patterns of the rich and the poor. In Egypt, the poor have effectively created livelihoods out of processing the refuse of the rich by adopting a home-grown model different from those of the developed world (which generally bury or burn their garbage), in which waste is sorted into two streams: food and everything else. The food is composted and exported to meet growing demand, and the rest is sifted for reuse and recycling. She repeatedly emphasized the importance of "home-spun" and "culture-specific" solutions to the challenges of urbanization.

Operating small enterprises out of their homes, the poor entrepreneurs have a recovery rate of 80%, which far exceeds the efficacy of services provided by municipalities or the private sector, while simultaneously providing employment

and income. Ms. Iskandar, thus, called attention to the "human infrastructure" of cities and lauded the poor for being able to overcome badly designed systems. Already, her organization was taking steps to transfer the waste-processing technology and know-how to the poor within Egypt and abroad so that more communities can benefit. She emphasized that, while recycling can help to sustain natural resources, it is imperative to limit consumption levels.

She asserted that municipalities must learn how to manage slums, rather than raze or ignore them and that granting land tenure is essential. The challenge is to design cities in which the poor can work and live in dignity.

Ms. Zahwa Mohamed Al Kuwari, Director, Department of Environmental Planning, Public Commission for the Protection of Marine Resources, Environment and Wildlife, Kingdom of Bahrain, described some of the policies that Bahrain has implemented to ensure sustainable development. In the 1980s, the Government had developed a national environment strategy with the cooperation of all sectors to safeguard the natural environment under the growing pressure of urbanization through preventive measures and by imposing penalties for actors that harm the environment. Under the plan, all new projects are subject to environmental licensing and undergo environmental assessment.

Having been successfully implemented, the strategy has realized improvements in air quality and other pollution. The Government is working toward fulfilling national and international agreements regarding climate change and environmental protection and is in the process of preparing a second national declaration on sustainable development. The Government has achieved its success by balancing the economic, social and environmental aspects of development.

During the interactive discussion that followed the panelists' presentations, the global food crisis, unsustainable patterns of consumption and production, water scarcity, climate change, population growth, social integration and youth unemployment were highlighted as major regional challenges in the context of sustainable urbanization.

With the region being a net importer of food, the present food crisis is having a heavy impact. Low-income families are forced to eat less nutritious diets or skip meals, and children are in some cases being withdrawn from school so that they can work instead. Action is necessary to scale up food assistance programmes and social safety net programmes. The World Food Programme called for international solidarity and commended the Gulf Cooperation Council members for their generous contributions in the region.

Participants discussed the seriousness of the region-wide water shortage that has resulted from over-consumption, especially in agriculture. In this respect, the rural-

urban link is very apparent. Yet, with the existing food crisis, no plan is tenable that would reduce crop production, including pricing of water. Instead, different practices need to be implemented, including drip irrigation and recycling wastewater. It was stressed, however, that conservation is less costly than reuse technologies. Utilities can also work to cut water losses. The quality of drinking water must be considered with reporting on access.

Poverty remains one of the greatest enemies to the environment. The disproportionate impact of climate change on the urban poor was noted.

Because sustainable development requires the participation of all citizens, improving education and raising public awareness is imperative to empower them. The specific responsibility of local authorities in implementing policies and programmes was highlighted. Some participants pointed to successful practices by competent local authorities and said that their support and engagement is the best way to secure sustainability of an initiative. Yet it was observed that many local authorities need more training and experience, and are sometimes characterized by corruption. It was also observed that sometimes, when local authorities fail to deliver services, NGOs have filled the gap and financed infrastructure for poor neighborhoods.

Indeed, financing remains a formidable challenge; addressing the needs of the growing population will require substantial investment in cities and their infrastructure. Municipal budgets cannot cope with the scale of the need, and they require more and better instruments to raise capital.

It was emphasized that there was no one-size-fits-all solution to problems of infrastructure and services. Each country has particular challenges and needs that require demand customized solutions.

C. Panel 2: Green architecture for sustainable urbanization

Considering cities' impact on the environment, the panel on green architecture for sustainable urbanization examined how innovations in architecture and urban planning and in related technologies can help attain more sustainable urbanization.

Mr. Thomas Stelzer, Assistant Secretary-General for Policy Coordination and Interagency Affairs, UNDESA, opened the panel discussion, reminding participants that climate change and urbanization are strongly connected. Seventy five per cent of global energy consumption occurs in cities and eighty per cent of all greenhouse gas emissions that cause global warming come from urban areas. He recalled that rates of urbanization are accelerating. However, urbanization should not be viewed with suspicion; it offers many opportunities. For instance, urban centres support large populations in high concentration, which limits adverse impact on the natural environment. Mr. Stelzer asked speakers to address the

questions of whether smart growth can help cities in the region leapfrog to more sustainable urban settlements and if the requisite technologies are available; to describe the benefits that have so far been realized from deploying green architecture in Western Asia; and to consider whether lessons learned can be applied to less-affluent cities.

Laying the foundation for discussion, panellist Dr. Ali Abd Alraouf, Associate Professor of Architecture, University of Bahrain, examined recent trends related to cities and sustainability in the Gulf countries. In the past five to 10 years, Gulf cities have undergone radical change, manifested in three paradigms: (1) "Dubai-zation," characterized by an eruption of new, private shopping malls, gated communities, corporate headquarters and other high-profile, "iconic" projects; (2) "knowledge-fication", the creation of knowledge cities in Gulf countries, which aim to foster creativity and facilitate a knowledge economy and subsequent economic growth; and (3) "sustainable-ization" or movement towards environmentally friendly buildings and cities. Dr. Alraouf warned that the Dubai model is untested, and we have yet to observe the consequences on social life and the identities of local communities. He also cautioned against creating "sustainable bubbles," isolated from the greater society, which might be more marketing tool than credible concept.

Dr. Alraouf underscored that architects do not focus only on individual buildings but are interested in the bigger cityscape. Green architecture has taken the form of ultra-modern technology in iconic buildings, but mass production of green buildings is needed to go beyond the elite and increase the impact. There are also lessons to be learned from traditional building techniques that can be reinterpreted for modern times with great benefit. To secure the future of sustainable urbanization, the coming generations of architects and city planners must be educated to approach architecture as a tool by which quality of life can be enhanced. Incentives for developers, increased awareness by decision makers and improved capacity of local authorities are also needed to ensure that urban planning and architecture progresses sustainably.

Mr. Nicholas Bailey, Director Design Studio, WS Atkins and Partners Overseas, Middle East and India Region, Kingdom of Bahrain, presented a number of green projects within the region, describing the design elements and technologies that make the buildings more environmentally friendly. In the course of the presentation, he explained that active elements of green design, such as wind turbines and solar panels, are costly and generally produce relatively little gain. Passive elements, such as better windows and insulation, cost less but have greater impact. Most important is the form and orientation of housing – its proximity to work, shopping, and other common destinations. Architects, developers and other entities affect the design of buildings, but governments and their policies determine, to a great extent, the form and orientation.

Mr. Bailey also underscored that in urban design there is greater resource use in commuting and transportation than in construction and operation of buildings and that traffic congestion is a major issue for urbanization.

Mr. Samuel Keehn, Environmental and Sustainability Manager, Energy Management Services, United Arab Emirates, spoke of the need to broaden the scope from "iconic" buildings to make every building sustainable, including by retrofitting existing buildings. There is a substantial cost to building "green" and, it is not presently within the means of low- or middle-income families. He believes that it could become affordable in the future if demand was to increase and technology was to be further developed, but this remains a challenge to be overcome.

Policy on green architecture has developed differently in different markets; in some it has developed from the bottom up, and in others from the top down. Secondary policies, such as tariffs on water and electricity, subsidies for environmentally friendly technologies, land-use policies and alternative transportation options also affect planning and building decisions. Mr. Keehn reiterated that using individual vehicles as the primary mode of transportation is not sustainable, and it is imperative that master planning promotes alternatives to driving.

Mr. Parasuraman R. Ramachandran, Founding Vice-Chair of the World Green Building Council, Founding and Immediate Past Chairman of the Indian Green Building Council, and CEO of BMTC Dubai, described the role of the building industry in promoting sustainable urban development. He noted that conditions vary between developed economies (characterized by significant built space and high government regulation) and developing economies (where government and industry involvement has been lower and where markets for sustainable architecture are less developed). In India, the industry had taken it upon itself to adopt voluntary sustainability principles in order to operate in a socially responsible manner. As a result of its efforts, the total footprint of environmentally friendly buildings in the country has vastly increased.

Mr. Ramachandran acknowledged the overlap between poverty, affordable housing and sustainable architecture. He asserted that affordable housing, slum clearance and urban development should be subsets of green architecture, not vice versa. Although building and construction is a for-profit activity, it must involve all stakeholders – architects, designers, contractors, product manufacturers, governments and legislators – to ensure that it is also a sustainable activity. Comprehensive green rating tools provide an international benchmark of sustainability that enables comparison among buildings.

Regulators have an important role to play in governing policy and generating the framework within which the industry operates, as well as advocating for green standards, educating the industry and public on sustainability issues, and providing subsidies and incentives. Green Business Councils are themselves non-profit and guided by a cross-section of stakeholders. Mr. Ramachandran recommended that the region adopt a common green rating tool under the neutral guidance of a green building council located within the region.

In the ensuing discussion, participants emphasized the need for green architecture to be made available to the poor, stating that most green buildings to date have been erected for the rich. The challenge is to adapt sustainable features of the high-rise for the urban slum to accommodate low-income people. Mr. Keehn described efforts in the United States to develop affordable (to middle-class consumers), green, prefabricated housing, yet stressed that there must be sufficient demand from consumers (or government subsidies) for this to reach scale. Advocacy, pro-green policies and civil society support can help to generate demand. Much more work would have to go into developing sustainable housing for slum dwellers. However, it was noted that the carbon footprint of low-cost housing is presently small and that large high-rises were responsible for a much larger percentage of energy use. It was noted that new technologies are available to make the construction process – and not only the resulting building – more environmentally friendly.

Some interventions emphasized using traditional building techniques, technologies and materials in new buildings to improve their sustainability. The need to preserve the cultural heritage of cities was strongly stressed. Green certification schemes have been developed for existing buildings, encouraging owners to correct their patterns of over-consumption. City planning has to be tied to national planning processes, and this will be unique in every country.

D. Panel 3: Financing and technology transfer for sustainable development

Acknowledging the need for additional resources and means to promote sustainable urbanization, the panel on financing and technology transfer for sustainable development explored how governments and the commercial banking industry can mobilize resources and make available financial services to the urban poor. The panel also addressed the regional need for technology development and transfer.

Opening the panel, moderator Mr. Bader Omar Al-Dafa, Executive Secretary, UNESCWA, reiterated that mobilizing resources – public and private, domestic and international – and utilizing them effectively are priorities and pre-requisites for promoting sustainable development and sustainable urbanization. Islamic finance is one avenue with immense potential to shape developments in the Arab

region and other developing countries. Special attention should be paid to the urban poor, who are often marginalized both socially and financially.

Mr. Al-Dafa stressed the importance of South-South cooperation and public-private partnership in promoting technology transfer for sustainable development. The need to adopt and adapt suitable technology to meet regional challenges – especially those related to water scarcity and greenhouse gas emissions – is crucial. Sharing knowledge and best practices would be beneficial.

Panellist Mr. Khalid Hamad, Executive Director, Banking Supervision, Central Bank of Bahrain, stated that the application of basic principles of Islamic Shari'a bestow special significance on Islamic financial institutions. Islamic banks, *takaful* companies and investments funds constitute the primary players in steering regional investments in real estate, infrastructure, tourism, and the pharmaceutical, medical and telecommunication sectors. Their economic activities are not limited to the Arab region. Mr. Hamad indicated that Islamic banks have yet to explore more of the needs of people with low- to medium income; micro-finance and small-to-medium-size ventures are some areas that the financial industry sees as opportunities for development.

The Central Bank of Bahrain has nurtured the Islamic finance industry and facilitated appropriate supervisory and legislative foundations to assist its growth and development. Further, it has collaborated with the Islamic Development Bank and other stakeholders to create various support institutions necessary for the healthy development of the sector. The Central Bank also supported the development of the Bahrain Institute of Banking and Finance to provide banking and financial training and education in the region.

During the discussion, a participant noted that the Islamic financial industry has yet to develop the legal instruments to make it easy and inexpensive for the poor to procure loans. It was also suggested that governments or charities should be enlisted to provide guarantees on behalf of the poor. Mr. Hamad confirmed that such steps were being taken in Bahrain to introduce residential mortgages for certain qualifying individuals with the support of the Government. Banks alone cannot solve the problem of affordable housing; a joint venture between the public and private sectors is necessary to provide subsidized housing for the poorest. Efforts are underway to establish a microfinance bank in the Kingdom, and other organizations are being encouraged to offer microfinance facilities. Islamic banks are also being encouraged to reduce charges and fees to more reasonable levels.

A second panellist, Dr. Seyfeddin Muaz, Executive Vice-President, Royal Scientific Society, Jordan, provided a picture of the potential of the region to utilize and develop technology by presenting comparative statistics on R&D expenditure, scientific and technical journal articles published, patent applications

filed, share of high-technology exports in total manufacturing exports, adult literacy and internet penetration for the Arab region. He stated that the region, in general, must step up efforts to improve the quality of education and increase investment in science. Challenges that inhibit the use of technology in the region include a low literacy level and low enrolment in higher education, a high population growth rate, low R&D expenditure, non-competitive industry and knowledge-producing institutions, limited private sector R&D and innovation activities, weak linkages between industry and university, and brain drain.

Dr. Muaz recommended that, at the policy level, governments must develop eco-based strategies, ensure that the legislative framework promotes clean technologies, and provide incentives (tax cuts, subsidies, etc.) that encourage the adoption of environmentally friendly technologies. At the technical level, governments must support programmes that ensure capacity-building in cleaner technologies and environmentally sound practices, especially in improving the management of water use and increasing energy efficiency, and also develop technical capacity through cooperative programmes for technical knowledge transfer in cleaner production and cleaner technologies. Furthermore, building codes and technical standards are useful tools that should be adopted to control construction and secure funding.

Awareness-raising at the professional level and intensive training for youth may also strengthen the region's capacity to absorb technologies and develop home-grown innovation. There should also be support for entrepreneurship and the creation of incubators to nurture ideas and creativity. He advised that, rather than try to compete in R&D with developed countries, the region should focus on building the capacity to successfully transfer technologies to meet local needs and to concentrate on developing expertise on issues and challenges most relevant to the country or region. Nations in the region could learn from others that have developed strong science and technology policies, such as Malaysia and the Republic of Korea.

Action is also necessary on the financial level. Dr. Muaz emphasized that funding must be made available through government budgets and development partners, as well as by establishing green funding mechanisms by Islamic banking institutions, such as green credit and venture capital to fund good ideas and R&D. National and regional award systems may also encourage the development of sustainable technologies.

A participant underscored the urgent need for funding: an estimated $300 billion to $400 billion is needed to finance adaptation to and mitigation of climate change. Developing countries do not have the resources to buy or develop technologies to meet this challenge.

III. Conclusions and recommendations

Owing to economic, social and political disparities within the region, different approaches should be pursued to address the various priorities countries face in pursuing sustainable urbanization. Solutions to the challenges should be country-specific; it is not possible to simply import them from other regions of the world.

Sustainable urban development requires a holistic approach, entailing a good mix of legal frameworks, economic incentives, awareness and urban design. Investment is required so that governments can increase access to transport, provide secure land tenure, mobilize financial resources for sustainable development and bridge the gap between urban and rural areas, as well as among neighbourhoods within cities and towns. In this respect, the Islamic banking industry should take on a bigger role in promoting sustainable development. The private sector and infrastructure and service providers are urged to heed poor urban communities and to provide them with sustainable services and housing at prices they can afford. Cooperation and collaboration are essential to streamlining processes and reducing duplication of efforts among various stakeholders.

People are the foundation of good urban planning and effective long-term design for urban infrastructure, and they must be empowered to fulfill their role. Participatory planning and management of cities is imperative. Local authorities need to be involved as enablers, yet all partners must come together in a full and fair partnership to generate effective solutions. Local communities must be involved throughout the entire process of planning for and managing urban development, and their voices should also be heard at international conferences on related subjects.

There must be an improvement in institutional capacity to plan, monitor and coordinate sustainable development, including through public-private partnership. Accurate statistics and information (and concomitant capacity-building to gather and analyse the data) are necessary to provide a basis for informed urban planning and development.

All stakeholders in the region need to take action to address unsustainable patterns of consumption of natural resources, especially of water. Conservation practices need to be implemented in agriculture, including drip irrigation and recycling wastewater. Utilities should also work to cut water losses. While it is important to ensure an adequate quantity of water, governments must guarantee its quality as well.

The current food crisis reinforces the importance of rural-urban linkages. Immediate action is necessary to scale up food assistance programmes and social safety net programmes. In the medium to long term, Governments, in partnership

with the private sector, must develop eco-based strategies that support research and development to utilize appropriate and affordable technology to mitigate and adapt to climate change, which affects the poor first and most, especially women. Governments must support technical programmes that ensure capacity-building in cleaner technologies and environmentally sound practices. They should also promote entrepreneurship and the creation of incubators to nurture ideas and creativity. Urban agriculture initiatives could be an important part of the solution, by, among other things, turning urban waste into productive resources, positively impacting the greening of cities, improving the urban micro-climate, reducing the ecological footprint of the city, and contributing to food security and better nutrition.

Green architecture must be seen in the larger context of urban planning and not in terms of isolated projects. There is a need to both scale up and scale out the quantity and types of green solutions, especially to pay greater attention to providing the poor with environmentally friendly housing. Green buildings remain too costly to be accessible to a wide swath of the population; efforts should be taken to increase demand so that they may become more affordable. Traditional building techniques should not be overlooked. Direct mandates, an exchange of information between governments and private sector actors, and appropriate secondary policies would all help to encourage the spread of sustainable architecture. Rating tools play an important role in setting and publicizing green standards. Environmental assessment is also a useful tool to manage environmental impact.

Regional cooperation is essential to addressing many of the challenges associated with urbanization. The exchange of good practice and information among countries at the regional and sub-regional levels is essential. Pilot projects within cities would provide solid lessons and encourage other neighbourhoods and cities to follow.

All actors must not only address the challenges of today, but also plan for the future. Strategies at all levels must integrate policies in the economic, social and environmental fields in a coherent and sustainable manner. Plans must protect cities' cultural heritage.

In addition to these conclusions, attention was also drawn to the issue of violence against women. It was conveyed that women are disproportionately affected by urban violence, which enhances women's feeling of insecurity that, in turn, produces limitations on their mobility and autonomy. Urban strategies and gender-sensitive municipal planning that will improve women's safety need to be formulated by including a gender perspective in public security policy. Awareness-raising and training can serve to create an environment where citizens and government officials are sensitized to violence against women in urban settings.

A number of recommendations were offered for consideration by the Economic and Social Council and actors within the region:

To address the challenges of urbanization, governments must develop country-specific approaches that reflect their development priorities.

Planning for sustainable urbanization requires an integrated policy approach that involves all relevant stakeholders, including national governments, city and municipal governments, community representatives, NGOs and members of the private sector.

To improve decision-making and management, capacity-building is essential for local authorities and municipal planners, as well as community members. Accurate statistics must also be collected and made available to policy-makers.

Governments must leverage new investment in urban infrastructure to cope with population growth and increasing urbanization. Municipalities require more and better instruments to raise capital.

Encourage Islamic banks and other commercial banks to increase their role in financing projects that will contribute to sustainable development, including through providing "green credit" and venture capital to promote sustainable urbanization. Islamic banks and other commercial banks are encouraged as well to develop financial products of relevance to low-income customers, including government-backed mortgages and micro-loans.

Governments must ensure that drinking water is available to slums and meets quality standards.

Immediate action must be taken by all stakeholders in the region to address unsustainable patterns of consumption of water, including implementing conservation practices in agriculture and cutting losses in water delivered by utilities and in industrial use.

Governments, in partnership with the private sector, should support research and development to utilize appropriate and affordable technologies to mitigate and adapt to climate change, as well as technical programmes to build capacity in cleaner technologies and environmentally sound practices.

Architects, developers and other actors in the construction industry, with support from governments, should scale up and scale out the quantity and types of green building solutions, incorporating traditional knowledge and materials as well as new technologies, especially to ensure sustainable housing for the poor. They should also pursue socially responsible policies and

practices, particularly with labour employed for construction and maintenance of buildings.

Governments should provide an enabling environment to encourage the spread of green architecture. However, this should be promoted as part of overall planning for sustainable cities.

The ESCWA region should adopt a common green rating tool under the neutral guidance of a Green Building Council.

UNESCWA should incorporate the outcome of this meeting into its work and take a leading role to see through some of the proposed actions.

ECOSOC should consider "sustainable urbanization and the reduction of urban poverty" as a cross-cutting pillar in its deliberations so that the urban dimension will be incorporated in all the Council's analysis and recommendations.

Enclosure

Presentations of best practices and new initiatives to promote sustainable urbanization

1. Mr. Ayman Abu Laban, Gulf Area Representative, United Nations Children's Fund (UNICEF), presented the Child Friendly Cities Initiative. The Initiative aims to encourage an approach to local development that promotes awareness of children's rights and increased commitment to their safeguard at local level. Strategies include supporting government efforts to strengthen local government and local governance in urban and rural areas. UNICEF has promoted in-depth reporting by city governments on the implementation of the initiative.

2. Dr. Muhammad Al-Sayrafi, Vice Chairman, Qatar Foundation, provided an overview of the project on 'Healthy and Environmentally Sound Housing' implemented by the Friends of the Environment of Qatar, the Qatar Foundation and the Government of Qatar. The project explores ways to integrate the issues of health and the environment in the area of housing and to create a holistic approach to housing, both public and private. The project is pursuing a number of deliverables, including: the Qatar codex for building standards and spatial planning, a global declaration or a convention on the same incorporating the principles expressed in the vision for the project, cutting-edge research and science delivered including best practices, a centre of excellence on healthy and environmentally sound housing, and a ten-year strategy to follow up some or all of the above.

3. Mr. Ghassan Samman, Head of Media and Foreign Affairs Department, Arab Towns Organization, Kuwait, focused on the partnerships that have been fostered by the organization, which has a membership of more than 400 towns in the Arab world. The organization works with governments, local authorities, the heads of municipalities and municipal councils, NGOs, universities and research centres, financial institutions, the United Nations and the private sector to promote sustainable urbanization. Together, the stakeholders develop and disseminate frameworks for good governance of cities and towns that promotes sustainable economic and social development, while also preserving cultural heritage. The Organization has created a fund through which it grants money to towns and cities to finance projects they could not otherwise afford.

4. Citing the increasing pressure being placed upon water resources in the region (with as much as 40% of the water demand in the Middle East stemming from the industrial and municipal sectors due to the present construction boom) as an impetus for his organization's work, Mr. Jeff Stephenson, Chief Operating Officer and Vice President of Oryx Enterprises, Qatar, presented a new construction technology that will enable the industry to save billions of gallons of water. The technology is a 100% environmentally friendly alternative to using water for

curing concrete that provides the same results as 14-day water curing without sacrificing quality, time or cost. It enables the world's contractors to produce high-quality, long-lasting concrete structures faster and easier without wasting water or creating waste and pollution.

5. Mr. Sayed Aqa, UN Resident Coordinator and UNDP Resident Representative, Kingdom of Bahrain, stressed the importance of good governance to promote sustainable urbanization, which necessarily includes participation by civil society, the media and other stakeholders. Governments have lately been shifting from provider of services to enabler of development, allowing other stakeholders to expand their roles. Mr. Aqa named a few examples of good practice, including efforts by the City of Nablus, West Bank, to improve the urban environment by relocating industry and upgrading the city centre; UNDP Nepal's 39 Public-Private Partnerships for the Urban Environment (PPPUE) active in five municipalities; and UNDP's Local Initiative Facility for Urban Environment (LIFE), a small grants programme that provides support for small-scale activities that address local urban environmental problems in developing countries.

6. Dr. Habib N. El-Habr, Director and Regional Representative, United Nations Environment Programme (UNEP), Regional Office for West Asia, showcased the Partnership for Clean Fuels and Vehicles (PCFV). The partnership comprises more than 100 organizations from the private sector, governments, NGOs and international organizations working together to promote better urban air quality in developing countries through cleaner fuels and vehicles. The Partnership has seen excellent progress, especially in the areas of the phase-out of leaded gasoline and the reduction of sulphur levels in fuels. The Partnership is working closely with the GCC in pursuit of its goals in the sub-region, as well as with national governments in several Western Asian countries.

7. Dr. Eduardo López Moreno, Chief, State of the World's Cities Section, Monitoring and Research Division, United Nations Human Settlements Programme (UN-HABITAT), provided a brief overview of several best practices from within the region that exhibit a rare combination of innovation, partnership and good governance. Among them were the Bahrain National Urban Observatory, the Special Human Settlements Programme for the Palestinian People, Egypt's National Urban Planning and Development Programmes and the Sustainable Ismailia Governorate Programme (Egypt).

E/2008/89

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United Nations E/2008/89

Economic and Social Council

Distr.: General
30 June 2008

Original: English

Substantive session of 2008
New York, 30 June-25 July 2008
Item 2 (c) of the provisional agenda*
High-level segment: annual ministerial review

Letter dated 23 June 2008 from the Permanent Representative of the United Republic of Tanzania to the United Nations addressed to the President of the Economic and Social Council

I have the honour to transmit herewith the national report of the United Republic of Tanzania, entitled "Implementation of the national development strategies to achieve the internationally agreed development goals", for the annual ministerial review to be held during the high-level segment of the 2008 substantive session of the Economic and Social Council (see annex).

I would be very grateful if you could circulate the present letter and its annex as a document of the Economic and Social Council, under item 2 (c) of the provisional agenda.

(*Signed*) Augustine **Mahiga**
Ambassador

* E/2008/100.

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Annex to the letter dated 23 June 2008 from the Permanent Representative of the United Republic of Tanzania to the United Nations addressed to the President of the Economic and Social Council

National report of the United Republic of Tanzania

Implementation of the national development strategies to achieve the internationally agreed development goals

Facilitating consultants:
Prof. Samuel Wangwe
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List of abbreviations

ACP	Africa, Caribbean and Pacific
ADB	African Development Bank
AIDS	Acquired Immune Deficiency Syndrome
AMR	Annual Ministerial Review
ARI	Acute Respiratory Infections
ARVs	Anti Retrovirals
ASDP	Agricultural Sector Development Programme
ATM	Aids, Tuberculosis, and Malaria
BEST	Basic Education Statistics of Tanzania
CBO	Community Based Organization
CSO	Civil Society Organization
D by D	Decentralization by Devolution
DADP	District Agricultural Development Plan
DASIP	District Agricultural Strategy and Investment Plan
DDC	Developed Countries
DGC	Developing Countries
DHS	Demographic and Health Survey
DP	Development Partner
EAC	East African Community
ECOSOC	Economic and Social Council
EIA	Environmental Impact Assessment
EmOC	Emergency Obstetric Care
EPA	Economic Partnership Agreement
FBO	Faith Based Organization
FDI	Foreign Direct Investment
GBS	General Budget Support
GDP	Gross Domestic Product
GESP	Girls Secondary Education Support Project
GNP	Gross National Product
GoT	Government of Tanzania
HBS	Household Budget Survey
HIPC	Highly Indebted Poor Countries

HIV	Human Immunodeficiency Virus
IADG	Internationally Agreed Development Goal
ICT	Information and Communication Technology
IDA	International Development Agency
IFI	International Financial Institution
IMCI	Integrated Management of Childhood Illnesses
IMF	International Monetary Fund
IPT	Intermittent Preventive Treatment
ITN	Insecticide-Treated Nets
JAST	Joint Assistance Strategy for Tanzania
LDC	Least Developed Country
LGA	Local Government Authority
M&E	Monitoring and Evaluation
MDA	Ministries, Departments and Agencies
MDG	Millennium Development Goal
MDRI	Multilateral Debt Relief Initiative Fund
MKUKUTA	Mkakati wa Kukuza Uchumi na Kupunguza Umaskini Tanzania
MKUZA	Mkakati wa Kuondoa Umaskini Zanzibar
MMS	MKUKUTA Monitoring System
MoEVT	Ministry of Education and Vocational Training
MPEE	Ministry of Planning, Economy and Empowerment
MTEF	Medium Term Expenditure Framework
NACSAP	National Anti-Corruption Strategy and Action Plan
NBS	National Bureau of Statistics
NEPAD	New Partnership for Africa's Development
NGO	Non-Governmental Organization
NPES	National Poverty Eradication Strategy
NSA	Non-State Actor
NSGRP	National Strategy for Growth and Reduction of Poverty
ODA	Overseas Development Assistance
PEDP	Primary Education Development Programme
PHDR	Poverty and Human Development Report
PMCT	Prevention of Mother to Child Transmission
PMO	Prime Minister's Office

PMS	Poverty Monitoring System
PPP	Public-Private Partnership
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
RALG	Regional Administration and Local Government Authorities
SACCOs	Savings and Credit Cooperatives
SEDP	Secondary Education Development Programme
TB	Tuberculosis
THIS	Tanzania HIV and AIDS and Malaria Indicator Survey
TIC	Tanzania Investment Centre
TPRI	Tanganyika Pesticides Research Institute
TRCHS	Tanzania Reproductive and Child Health Survey
TWG	Technical Working Group
UN	United Nations
UNCDD	United Nations Convention to Combat Desertification
UNDA	United Nations Development Agenda
UNDP	United Nations Development Programme
UNF	United Nations Foundation
URT	United Republic of Tanzania
USD	United States Dollar
VAS	Vitamin A Supplementation
VCT	Voluntary Council and Testing
WB	World Bank
WHO	World Health Organization
WTO	World Trade Organization
ZPRP	Zanzibar Poverty Reduction Plan
ZSGRP	Zanzibar Strategy for Growth and Reduction of Poverty

Executive summary

1. National policies in Tanzania are categorized into the long term national development strategy known as Vision 2025, the medium term national poverty reduction strategies and specific sector or cross sector policies.

2. Having dwelled on macroeconomic stabilization for a decade, Tanzania started to address poverty as a major policy concern in 1996 within the framework of the macroeconomic policies which were being implemented. These initiatives started with the formulation of the National Poverty Eradication Strategy (NPES) in 1997 and the subsequent PRSP process in 1999 and 2000 which produced the Poverty Reduction Strategy Paper (PRSP) and Zanzibar Poverty Reduction Plan (ZPRP) in order to gain access to the HIPC debt relief resources.

3. The lessons learned from the first generation of the poverty reduction strategy were carried forward into the second generation of poverty reduction strategy. The preparation of the second generation of PRS paid greater attention to growth and governance as well as to results and outcomes.

4. The GDP growth rate in recent years has averaged about 7% per year. With such an average GDP growth, Tanzania is well on the way to achieving the 8 – 10 per cent growth per annum that would be required to achieve the MDGs. The concern is that growth has not been sufficiently broad and income inequality increased slightly, mainly in urban areas and the gap between urban and rural incomes may have increased.

5. While the availability of food as measured by the proportion of people with access to basic calorie intake is high, malnutrition in children under five years old persists.

6. Gross Enrolment Ratio and Net Enrolment Ratio of both boys and girls show that universal primary education has been achieved with gender parity achieved. However, the target of eliminating illiteracy by 2015 remains challenging particularly for rural women.

7. There are still gender disparities in enrolment at upper secondary and tertiary levels of education.

8. Census data and those from surveillance sites suggest a decline in both infant and under-five mortality rates.

9. The maternal mortality situation has not improved in Tanzania.

10. HIV prevalence in adults is estimated at 7 per cent of the population (7.7 per cent for females and 6.3 per cent for males). The good news is that for all ages there has been a significant decline in the prevalence rates.

11. Environmental concerns have also been mainstreamed in the MKUKUTA/MKUZA, and sectoral policies have been reviewed to incorporate environmental concerns and the management of biodiversity in particular.

12. Tanzania is on track to achieving the target of access to safe drinking water with the coverage going up from 68% in 2000 to 73% in 2003-5 for urban areas and from 49% in 2000 to 53% in rural areas in 2003-5.

13. The fast rate of urbanization has continued to put pressure on lives of slum dwellers.

14. Tanzania is highly depending on foreign aid to finance its development activities. The budget support mechanism has improved predictability of external resource inflows and therefore improved budget planning and execution. The development of a framework for co-operation which culminated in the preparation of Tanzania Assistance Strategy (TAS) and later upgraded into the Joint Assistance Strategy for Tanzania (JAST) has become a main guide in aid management.

15. Recognizing the risk of falling behind on the target of achieving decent employment and youth employment in particular, Tanzania has introduced an employment creation programme.

16. Key challenges are identified as follows: (i) underfunding is the main challenge of all sectors of the Tanzania economy; (ii) progress has been made in poverty reduction but progress in this area needs to be stepped up to combat both the large proportion of the rural poor as well as meet the rising challenges of urban poverty; (iii) achievements in education need to be better linked to the changing demands of the labour market; (iv) gender inequality continues to be a major challenge at higher levels of education and in terms of economic empowerment while maternal health care remains an area of great concern; (v) child and maternal mortality are still high posing a major to the health system as a whole. These health challenges are compounded by the HIV and AIDS epidemic; (vi) HIV and AIDS pandemic has been declared as catastrophe in Tanzania; (vii) the environmental sustainability challenges have increased in almost all dimensions due to low general level of education and inadequate attention to developing alternative sources of energy for use especially in rural areas.

17. Lessons learned as considered in three main categories: poverty reduction, governance and accountability and managing aid relationships.

18. As regards poverty reduction processes, lessons from the first generation of poverty reduction processes indicate that consultation is important for subsequent positive impact of policy, growth is a necessary (but not sufficient) condition for poverty reduction in medium and long term and that it is important to development a comprehensive monitoring system.

19. As regards governance and accountability, these are underlying conditions for growth and reduction of income poverty, reduction of poverty and improved quality of life and social well-being in Tanzania.

20. The Tanzania experience with managing aid relationships brings to the table lessons on ownership, policy space, firmness, managing for results, collective action and exit strategy.

21. Given the magnitude of the IADGs/MDGs interventions, the government requires a substantial amount of resources. The key objective of resource mobilization is to make aid commitments more predictable so that Tanzania can implement its national programmes to achieve the IADGs/MDGs.

22. In conclusion, the URT government has achieved significant successes in universal education, gender equality in primary and secondary education and reduction in child mortality. Considerable achievement has been made in improving aid relationships as part of the global partnerships. The introduction of the Independent Monitoring Group as a mutual accountability mechanisms has helped to make progress in this area. Encouraging progress is being made in attaining targets for safe water for drinking and sanitation. Improved network and performance of health facilities and water supply and sanitation infrastructure in the country has contributed to the positive results.

23. However, there are some areas where progress has been modest making it unlikely that the MDGs will be achieved. Tanzania is unlikely to achieve MDGs in the areas of poverty and malnutrition, maternal health, improving life in slums, environment and decent employment especially among the youth unless new initiatives are taken to change the current trends. Hunger and malnutrition challenges are been aggravated by the current food price increases in the world market. However this could be an opportunity for Tanzania, being a largely agricultural economy provided adequate supply response in agriculture can be achieved.

SECTION 1: INTRODUCTION

1.1 Background

24. The 2005 World Summit mandated the United Nations Economic and Social Council (ECOSOC) to undertake an annual ministerial-level substantive review (AMR) of progress in the implementation of the internationally agreed development goals (IADGs), including the MDGs. Tanzania has volunteered to make such a presentation in order to share its experiences.

SECTION 2: OBJECTIVES AND METHODOLOGY

2.1 Objectives

25. The aim of the National Report is to examine and provide an assessment of the implementation of the national development strategies to achieve the internationally agreed development goals (IADGs) and objectives, including the Millennium Development Goals (MDGs) in order (a) to enable the development community to understand a country's policies and circumstances; (b) to provide feedback to the country on its performance; and (c) to share lessons learned and replicable successful policies and good practices.

2.2 Methodology and Approach

26. This report has been prepared in a participatory manner. The first draft report was prepared by a team of officials facilitated by the consultant which was then subjected to discussion in a national workshop where a broader body of stakeholders from the civil society and the private sector participated and provided their inputs.

SECTION 3: THE MAIN FEATURES OF IADGs

27. The historic United Nations conferences and summits held in the 1990s and 2000s generated an unprecedented global consensus on a shared vision of development (Annan, 2005)[1]. That broad-based framework in turn laid the groundwork for the Millennium Summit at which a series of challenging time-bound goals and targets were adopted and collated as Millennium Development Goals (MDGs) designed to meet the needs of the world's poorest are being pursued as part of a "larger development agenda" that also encompasses the needs of middle income developing countries, questions of growing inequality, and the wider dimensions of human development.

[1] Annan, Kofi. Towards Achieving the Internationally Agreed Development Goals, including the MDGs. Document E/2005/56 presented to ECOSOC, New York, 2005.

SECTION 4: THE NATIONAL DEVELOPMENT STRATEGY

4.1 Key National Development Policies

28. National policies in Tanzania are categorized into the long term national development strategy known as Vision 2025, the medium term national poverty reduction strategies and specific sector or cross sector policies.

4.1.1 Vision 2025

29. The national development strategy in Tanzania is guided by Development Vision 2025 which was produced in 1998. The goal of Vision 2025 is to transform Tanzania from a least developed country to a semi-industrialized, middle income country with a high level of human development free from abject poverty by 2025 and a high productivity agriculture that is well-integrated into the rest of the economy.

30. Tanzania of 2025 is envisaged to be imbued with five attributes: high quality of livelihood; peace, security and unity; good governance and rule of law; a well educated and learning society; and a strong and competitive economy.

31. A major concern of Vision 2025 is about implementation. It is in this context that Vision 2025 states that it is essential to review progress of implementation every five years to gauge progress and make the necessary adjustments. Hence, the five year National Strategy for Growth and Reduction of Poverty (or MKUKUTA a popular Swahili acronym) was in place in 2005 and the Zanzibar Strategy for Growth and Reduction of Poverty (ZSGRP) in 2006 or Mkakati wa Kuondoa Umaskini Zanzibar (MKUZA, a more popular Swahili acronym).

4.1.2 Poverty Reduction Strategies

32. Having dwelled on macroeconomic stabilization for a decade, Tanzania started to address poverty as a major policy concern in 1996 within the framework of the macroeconomic policies which were being implemented. These initiatives started with the formulation of the National Poverty Eradication Strategy (NPES) in 1997. These initiatives coincided with the requirement to prepare the Poverty Reduction Strategy Paper (PRSP) which was partly tied to HIPC debt relief funds. Tanzania responded quickly to the demand to prepare Poverty Reduction Strategy Paper (PRSP) and Zanzibar Poverty Reduction Plan (ZPRP) in order to gain access to the HIPC debt relief resources.

(i) PRSP: First Generation

33. The concepts of Poverty Reduction Strategy Papers (PRSP) and Zanzibar Poverty Reduction Plan (ZPRP) have introduced a new dimension of integrating the poverty concern in the policy making process of indebted countries with the underlying principles of ownership and leadership, participation, a multidimensional conception of poverty, and the linkage of poverty to debt relief.

34. The PRSP and ZPRP processes made the availability of resources for poverty reduction more predictable, and in general, there was a significant improvement in public expenditure management and the poverty reduction strategy was subjected to reviews annually since 2000 giving room for improvements as lessons were being learned in the process of implementation.

35. However, questions have been raised on the effectiveness of the PRSP/ZPRP approaches. The lessons learned from the first generation of the poverty reduction strategy were carried forward into the second generation of poverty reduction strategy.

(ii) Second Generation PRS: MKUKUTA and MKUZA

36. Drawing lessons from experience with PRSP/ ZPRP, the preparation of the revised PRS known as National Strategy for Growth and Reduction of Poverty (NSGRP) and Zanzibar Poverty Reduction Plan (ZPRP) have made important improvements compared to the earlier PRSP and ZPRP in putting greater emphasis on growth and income poverty reduction, replacing "priority sectors" approach with "Priority outcomes", increased focus to governance issues, integration of MDGs policy actions into cluster strategies, greater mainstreaming of cross cutting issues and extending the period required for a comprehensive review of the strategy from 3 to 5 years.

4.1.3 Key Sectoral Policies

(i) Central Government Level

37. The URT Government has various more sector specific or issue specific policies usually accompanied by their implementation strategies.

(ii) Local Government Level

38. Following the decentralization policy of 1998 there has been a deliberate move to devolve power to the districts. Being a least developed country, Tanzania economy is heavily dependent on agriculture. The District Development Plans and in particular the District Agricultural Development Plans (DADPs) are very

crucial for development of agriculture which caters for the livelihood of 70% of the people of Tanzania.

4.2 Progress in Implementation

39. Taking stock of recent developments in management of the economy and drawing from the experience of the PRS process it can be observed that good progress has been made in three areas: deepening participation, moving towards a development framework and developing a monitoring system.

40. First, participation in the process of policy making and development management has been broadened and deepened over time. Participation of various groups in society has therefore become an accepted practice in recent policy making initiatives.

41. Second, the PRS process has become an important framework for coordination of poverty reduction strategies as an essential part of development within the Government regarding poverty reduction initiatives in Tanzania.

42. Third, the poverty monitoring system that was adopted for monitoring PRS in 2001-2004 has evolved into MKUKUTA/MKUZA Monitoring System (MMS) in 2006. The new monitoring system was adapted to the broader mandate and coverage of MKUKUTA/MKUZA especially its result orientation and deeper integration of MDGs into the national indicator set.

SECTION 5: SCOPE OF ACHIEVEMENT AND KEY STRATEGIC SUCCESSES IN IMPLEMENTATION OF NATIONAL DEVELOPMENT STRATEGIES

5.1 Scope of Achievement

5.1.1 Goal 1: Eradicate Extreme Poverty and Hunger

(i) Extreme Poverty

43. The GDP growth has averaged 6.2 for nine years period and 7.2 in the last five years. With such an average GDP growth, Tanzania is well on the way to achieving the 8 – 10 per cent growth per annum that would be required to achieve the MDGs. Recent data shows that the number of people living below the poverty line has declined from 50% of the population to 35.9 per cent. Food poverty has decreased from 22 per cent to 19 per cent.

44. The poverty challenge has been incorporated in the national development framework starting with Vision 2025 (for Mainland) and Vision 2020 for Zanzibar. The first generation of PRS addressed poverty and the second generation of PRS

(NSGRP/ZSGRP) placed more emphasis on growth and good governance as a means to reduce poverty.

45. The challenge of poverty eradication is manifested in three dimensions: raising the level of growth to 8-10 per cent; translating growth into poverty reduction; and addressing income disparities.

(ii) Hunger

46. While the availability of food as measured by the proportion of people with access to basic calorie intake is high, malnutrition in children under five years old persists. The proportion of underweight children has been falling over time.

47. The prospects of achieving this target are likely to be reduced by recent developments in food prices rises in the world market. While Tanzania is an agricultural economy the supply response is likely to be slow due to capacity problems.

5.1.2 Goal 2: Achieve Universal Primary Education

48. Gross Enrolment Ratio and Net Enrolment Ratio of both boys and girls including children with disabilities at primary schools have also increased from 112.7 per cent and 96.1 per cent in 2006 to 114.4 per cent and 97.3 per cent in 2007, respectively. There is near gender parity with regard to enrolment of girls and boys at the primary school level.

49. Implementation of the Primary Education Development Programme (PEDP) and the removal of school fees at primary school level played a critical role in raising the enrolment rates in the country.

5.1.3 Goal 3: Promote Gender Equality and Empower Women

50. In year 2006, out of 243,359 students enrolled in Form I, 116,709 (47.96 per cent) were females while 126,650 (52.04 per cent) were males, a near gender balance at entry. However, enrolment of girls drops substantially after Form IV. For other levels, especially tertiary, the women represent around 30% of the total enrolment, the figure which correlate to women positions in the URT government.

51. In the Mainland, the number of women Ministers increased from 11 per cent to 15 per cent between 1995 and 2005, while women Permanent Secretaries increased in number from one in 1995 to seven in 2005.

52. Good progress has been made in gender budgeting. However, one area where further action is needed is in promoting women entrepreneurs and women in business in general.

53. The URT has amended and is implementing the Constitution's provision for a minimum of 30 per centof women members of parliament in the National Assembly.

5.1.4 Goal 4: Reduce Child Mortality

54. Both infant and under-five mortality rates have declined. Under-five mortality decreased from 191 per a thousand live births in 1990 to 133 in 2005 in the Mainland. Infant mortality also declined from 115 (1990) to 68 (2005).

55. The government has developed strategies that aim at reducing infant mortality and child mortality, especially malaria-related morbidity and mortality. Programmes include improved vaccination coverage, availability of services including drugs at the time of need, Integrated Management of Childhood Illnesses (IMCI) rolled-over to all districts.

5.1.5 Goal 5: Improve Maternal Health

56. Maternal mortality situation has not improved with estimated maternal mortality rate from 2004 data being higher than that from the 1999 i.e. 578 and 529. Overall, there is little change in the proportion of births attended by skilled health personnel (41 per cent in 1999 and 46 per cent in 2004), and births taking place in health facilities are still modest (44 per cent in 1999 and 47 per cent in 2004).

57. The negative trend in maternal mortality on Mainland is compounded by the impact of the HIV and AIDS epidemic, poor health due to malnutrition and gender based violence.

5.1.6 Goal 6: Combat HIV and AIDS, Malaria and other Communicable Diseases

58. HIV prevalence in adults is estimated at 7 per cent of the population (7.7 per cent for females and 6.3 per cent for males). Based on HIV prevalence among the population of women attending antenatal clinics, it is clear that for all ages there has been a significant decline in the prevalence rates. The prevalence declined from 9.6 per cent in 2001/02 to 8.2 per cent in 2005/06. With the introduction of ARVs in more than 200 health facilities in 2006/07, 48 per cent of the targeted number of people was receiving treatment.

59. The URT government has launched the national campaign for voluntary HIV screening which will enable victims to act faster in taking ARVs and/or in avoiding further transmission.

60. Patients with HIV and AIDS-related conditions occupy more than 50 per cent of the hospital beds in Tanzania. The challenge is to address the improvement of the health system as a whole instead of focusing on individual diseases only.

5.1.7 Goal 7: Ensure Environmental Sustainability

(i) Sustain Environmental Resources

61. The proportion of people using solid fuels has not declined instead it has increased suggesting little progress in developing alternative sources of energy for these users.

62. Tanzania has an Environmental Management Act and has in place Environmental Impact Assessment (EIA) regulations and guidelines and other instruments to enforce conservation of the environment in Tanzania. The government faces the challenge of enforcement of the regulations that are in place.

63. The URT government is committed to promoting public participation in environmental management activities including implementation of the National Tree Planting Campaign. Furthermore, the government is regulating the utilization of forest products although enforcement continues to be a major challenge.

(ii) Access to Safe Drinking Water

64. Tanzania is on track to achieving the target of access to safe drinking water with the coverage going up from 68% in 2000 to 73% in 2003-5 for urban areas and from 49% in 2000 to 53% in rural areas in 2003-5. By 2006, 55.7 per cent of rural households and 78 per cent of urban households in the Mainland had access to improved water sources. Sanitation has improved with a high proportion of households (87 per cent) having toilet facilities.

65. Availability of potable water is a priority of the government and communities at large. Water policies are in place to guide development, distribution and equitable access. Community committees take charge of water infrastructure maintenance and distribution and work closely with the governments to ensure that there is equity and fairness in the access and use as well as affordability. Sustainability is in-built from design of water projects through community participation, ownership and cost-sharing.

66. The challenge is to consolidate community participation in water management and mobilize additional public resources to ensure improved water supply coverage in Tanzania.

(iii) Improvement in Lives of Slum Dwellers

67. The fast rate of urbanization has continued to put pressure on lives in slum dwellers. Progress that has been made does not seem to cope with the fast rate of urbanization as yet. The main challenge is to increase the rate of improving human settlements in slums to cope with the high rate of urbanization.

5.1.8 Goal 8: Develop a Global Partnership for Development

(i) Managing Aid Relationships

68. Tanzania is highly depending on foreign aid to finance its development activities. For instance, the external resources have increased from about $1.1 billion in 2000 to about $ 1.7 billion in 2005, provided in the form of direct budget support, moving away from project support. The budget support mechanism has improved predictability of external resource inflows and therefore improved budget planning and execution. In a situation of high aid dependence prudent management of aid relationships is particularly important. Tanzania has accorded high priority to the management of aid relationships.

69. When in the early 1990s differences between donors and the Tanzania government emerged, the response was to establish an independent mechanism for addressing this impasse. This was to become a significant framework for managing aid relationships. In 1994 the GOT and donors jointly appointed a team of five experts that was led by Prof. Helleiner of the University of Toronto. The recommendations of the report pointed to action by both sides. These recommendations were discussed in a workshop between GOT and donors (January 1997) on the basis of which 18 points of action were agreed upon on how to improve the deteriorated aid relationships and how each side was to perform to make aid more effective. The 18 agreed points of action later formed the basis of elaboration of a framework for co-operation which culminated in the preparation of Tanzania Assistance Strategy (TAS) from 1998/99 which was finally published in 2002 following many sessions of dialogue and refinements. TAS was meant to be a framework for partnership and strengthening donor coordination, harmonization, partnerships and national ownership in the development process. In 2006, TAS was upgraded into the Joint Assistance Strategy for Tanzania (JAST).

70. The government and development partners have put in place a mechanism for discussing the IMG reports and following up on agreed points of action.

71. The Tanzania experience with mutual accountability under the Independent Monitoring Group provides some lessons which can be shared with other aid receiving countries. Six lessons can be drawn from the Tanzania experience.

(ii) Sustainable Debt Management

72. Tanzania is among the Highly Indebted Poor Countries (HIPCs) that benefited from Multilateral Debt Relief Initiative Fund (MDRI), an initiative aimed at cancelling debts owed by HIPCs. Debt relief released resources for development and poverty reduction (URT, 2005).

(iii) Development of Decent and Productive Work for Youth

73. The URT government is committed to reduce unemployment rate (13% in Tanzania Mainland and 7% in Tanzania Zanzibar as per their respective data of 2000/01 and 2005 surveys. URT (2007) indicated that unemployment rate declined from 12.9 per cent in 2005 to 11 per cent in year 2006. A total of 27,244 enterprises were given loans countrywide through National Empowerment Funds for the purpose of reducing unemployment and income poverty.

74. Recognizing the risk of falling behind on the target of achieving decent employment and youth employment in particular, Tanzania has introduced an employment creation programme that has four component programmes: stimulating and facilitating private investment in the private sector enterprises of all sizes – micro, small, medium and large enterprises; public investments in the form of public investment programmes on their own or in partnership with the private sector; human resource development in the form of knowledge and skill development; and institutional capacity development that is appropriate for managing a functioning labour market.

SECTION 6: BUILDING NATIONAL CAPACITY AND SCALING UP SUCCESSES: CHALLENGES AND LESSONS LEARNED IN IMPLEMENTATION OF NATIONAL DEVELOPMENT STRATEGIES

6.1 Challenges

6.1.1 Funding

75. Underfunding is the main challenge of all sectors of the Tanzania economy. About 40% of the government budget (down to 34% in the 2008/9 budget) depends on external development partners. Predictability of aid flows has remained variable for GBS and basket funds and has been most problematic for direct project funds. Much as good progress is being made in stepping up domestic resource mobilization, achieving the IADGs/MDGs will continue to require considerable amounts of DPs support, possibly through more predictable

aid modalities. The improvement in the flow of ODA towards a target of 0.7% of developed country's GNP should remain on the international agenda and progress toward it deserves closer monitoring.

6.1.2 Poverty

76. Progress has been made in poverty reduction but progress in this area needs to be stepped up to combat both the large proportion of the rural poor as well as meet the rising challenges of urban poverty.

6.1.3 Education and Employment

77. Despite the achievements, education is mainly academic and could better link to the changing demands of the labour market. The modest progress that has been made in employment creation especially in addressing youth unemployment is related to low employability of the youth's education and skills in the economy.

6.1.4 Gender Inequality

78. The gender inequality continues to be a major challenge at higher levels of education and in terms of economic empowerment. Maternal health care remains an area of great concern. These challenges will need to be addressed with greater vigour in the coming years.

6.1.5 Child and Maternal Mortality

79. The child and maternal mortality are still high. This is a challenge to the health system as a whole. Challenges of health service delivery, physical infrastructure of health facilities, adequate supply of health equipment and instruments; availability of drugs and inadequate supply of trained human resources in the health sector remain major challenges. These health challenges are compounded by the HIV and AIDS epidemic.

6.1.6 HIV and AIDS

80. The main challenge is to continue to raise the level of knowledge on the pandemic and translating that knowledge into behavioural change. The challenge of stigma and discrimination also deserves special attention.

6.1.7 Environmental Sustainability

81. The environmental sustainability challenges have increased in almost all dimensions due to low general level of education and alternative sources to reduce rural poverty. While the environmental regulations are in place the challenge is in

their enforcement. Capacity building in the area of enforcement deserves greater emphasis.

6.2 Lessons Learned

82. The following lessons learned provide for considerations for addressing the identified future challenges above.

6.2.1 The Synchronization of IADGs/MDGs and MKUKUTA/MKUZA and the Monitoring and Evaluation System

83. Tanzania recently formulated its second generation of poverty reduction strategies – National Strategy for Growth and Reduction of Poverty (NSGRP or MKUKUTA in Swahili acronym) and ZSGRP (or MKUZA). The URT government need to mobilize adequate resources for overall coordination and implementation of the IADGS/MDGs and MKUKUTA/MKUZA.

6.2.2 Good Governance and Accountability

84. The ongoing public sector reform has improved efficiency, quality of administration and accountability of public servants with regard to high quality service delivery and resources. The URT government is committed and hence promoted good governance, democracy and rule of law as reflected in sustained peace, political stability, national unity and social cohesion and anti-poverty measures at both the centrai and local government levels.

85. In addition, national anti-corruption strategy and Action Plan (NACSAP) and mechanisms for empowering communities at the grassroots level have been in place and include initiatives such as Community Health Services Boards (URT, 2007)[2].

6.2.3 Managing Aid Relationships and Mutual Accountability

86. The Tanzania experience with managing aid relationships brings to the table six lessons: (i) the establishment of an independent mechanism has facilitated strengthening of **ownership**; (ii) acquiring greater **policy space** is a process which involves many actors and it takes time; (iii) there is need to balance appropriately the **firmness** on implementing agreed actions and flexibility to be inclusive in terms of bringing more players on board; (iv) **managing for results** can be implemented if an effective monitoring and evaluation system is in place; (v) there is a limit to which one country can successfully manage a whole donor community suggesting that collective action on the part of aid recipient countries

[2] The United Republic of Tanzania, "Millennium Development Goals: Progress Report 2006", Ministry of Planning, Economy and Empowerment, December 2006.

can play an important role in making progress in negotiations over critical points of action; (vi) an **exit strategy** from high levels of dependence should be considered from an early stage even if a country may need higher levels of aid in order to build the domestic capacity for managing with less aid at a future date.

SECTION 7: BUILDING PARTNERSHIPS: ROLE AND SUPPORT OF THE INTERNATIONAL COMMUNITY AND OTHER STAKEHOLDERS

7.1 Development Partners

87. The role of DPs is to collaborate with the government and non-State actors in implementing various IADGs/MDGs interventions. Specifically, the DPs should (i) provide technical support and financial assistance to the implementation of the IADGs/MDGs; (ii) share reports, findings and information; (iii) facilitate capacity building processes.

7.2 Central Government

88. The Central Government of the URT should play a major role in implementation of all the IADGs/MDGs. Specifically, it should (i) develop, coordinate and implement policies, plans and laws, regulations and guidelines to achieve IADGs/MDGs; (ii) ensure availability and flow of funds in the JAST framework; (iii) design and conduct periodic monitoring and thorough evaluation of the IADGs/MDGs implementation by involving all the stakeholders including the LGAs and non-State actors.

7.3 The Non-State Actors and Communities

89. The non-State actors (NSAs) and communities should (i) complement the efforts of URT government in terms of awareness creation and take action on the IADGs/MDGs; (ii) be capacity-built; (iii) become key actors in formulation of implementation strategies, action plans and budget and monitoring and evaluation instruments; (iv) provide for in-kind and cash contributions.

7.4 The Challenges

7.4.1 Scaling Up Efforts

90. The study considers the possibilities and prospects for scaling up efforts to promote the national priorities including the NSGRP, which articulates IADGs/MDGs. The scaled up or additional resources are crucial and hence there is need for supportive environment as reflected in right policy coordination, coherent absorption and spending capacity, and priority areas towards achieving the NSGRP and IADGs/MDGs.

SECTION 8: ENGAGING THE INTERNATIONAL COMMUNITY: FINANCING REQUIREMENTS

8.1 Resources Mobilization

91. The key objective of resource mobilization is to make aid commitments more predictable so that Tanzania can implement its national programmes to achieve the IADGs/MDGs. Given the magnitude of the IADGs/MDGs interventions, the government requires a substantial amount of resources.

92. In terms of public resources, the URT government could seek ways to increase domestic tax and non-tax revenues.

93. With regard to the DPs, the URT government should enhance linkage and collaboration with multilateral institutions and improve and adhere to the principles of JAST as the basic coordination machinery for external resource flows.

8.2 Resources Costing

94. The study suggests that the international financial institutions in Tanzania (such as World Bank and UN System) should work with the URT government to prepare resource costing on the basis of existing expenditure and commitments as well as an estimate of required additional resources and their possible allocation under the international or multilateral commitments.

95. The costing should tally with the set of targeted indicators at each level of the results chain in the IADGs/MDGs interventions.

SECTION 9: CONCLUSIONS AND WAY FORWARD

9.1 Achieved Successes

96. The URT government has achieved significant successes in universal education, gender equality in primary and secondary education and reduction in child mortality. The successes have been attributed to the removal of school fees at primary school level and improved allocation and actual commitment of resources (financial, physical and technical) to the respective sectors.

97. The target year for gender equality was 2005 and was almost achieved by 2006 for primary and secondary level enrolment. It is expected that gender equality in other levels of education will have been achieved by 2015. With regard to the goal of improving representation by women it is encouraging to note the improved representation in Parliament (Mainland), and increased number of women selected to high decision-making posts such as Ministers and Permanent

Secretaries. The achievements are attributed to deliberate effort made to give space to women in the appointments. However, more sustainable gender equality is likely to be achieved when inequality at all levels of education is achieved.

98. Considerable achievement has been made in improving aid relationships as part of the global partnerships. Managing global partnerships the introduction of the Independent Monitoring Group as a mutual accountability mechanisms has helped to make progress in this area.

99. Tanzania is likely to reduce child mortality to the target level. There are notable declines in both infant and under-five mortality rate. The most significant contribution to the reduction of under-five mortality is improved control of malaria, Acute Respiratory Infections (ARIs), diarrhoea; improved personal hygiene, environmental sanitation; and preventive, promotive as well as curative health services. With regard to malaria a more effective drug treatment regime has been introduced. More children (under 5 years of age) increasingly sleep under treated nets, and the private sector and faith organizations have been supportive the provision of health services in the country.

100. Encouraging progress is being made in attaining targets for safe water for drinking and sanitation. Improved network and performance of health facilities and water supply and sanitation infrastructure in the country has contributed to the positive results.

9.2 Modest Progress: Challenging Targets

101. Tanzania is unlikely to achieve MDGs in the areas of poverty and malnutrition, maternal health, improving life in slums, environment and decent employment especially among the youth unless new initiatives are taken to change the current trends. Overall, the reforms have profound effects on the entire economy. Poverty eradication is high in the socio-economic development of Tanzania. Over the last ten years, efforts to eradicate abject poverty regained national and international commitment, rooted in the World Summit for Social Development held in Copenhagen in 1995. Following these renewed international or multilateral commitments, the government has put in place various policies, strategies and programmes geared towards achieving poverty reduction goals related to IADGs/MDGs. In recent years Tanzania has managed to achieve an average growth of about 7% per annum. As an outcome of these efforts, poverty reduction is occurring but it will be necessary to accelerate the rate of growth to 8-10% per annum and to make sure that the achieved growth is shared more broadly in society.

102. Recent initiatives in Tanzania are being directed to achieving a higher and more broadly shared growth through sound economic management, raising

agricultural productivity, enhancing linkages with SMEs and creation of employment.

103. Hunger and malnutrition challenges are been aggravated by the current food price increases in the world market. However this could be an opportunity for Tanzania, being a largely agricultural economy provided adequate supply response in agriculture can be achieved.

104. Combating HIV/AIDS, malaria and related diseases and efforts to attain environmental sustainability will need to be stepped beyond current trends if the targets are to be achieved by 2015.